

Yellowstone County



HUMAN RESOURCES

(406) 256-2705
(406) 254-7908 (fax)
P.O. Box 35041
Billings, MT 59107-5041

June 28, 2019

TO: Board of County Commissioners
FROM: Kevan Bryan, Finance Director *Kevan Bryan*
Dwight Vigness, HR Director *Dwight Vigness*
RE: Health Insurance Rate Recommendation for FY20

Attached is a funding estimate recap from our health insurance advisor, Levitt Group.

As a result of numerous discussions with the Levitt Group, we are recommending a 6% increase for FY20. This is less than the actuary's attached recommendation of a 10.18% increase that assumed our increased single stop loss limit of \$315,000 for the coming year. We maintain that reserves are strong and wish to continue a path of somewhat stabilized rate changes in the uncertain and at times wildly fluctuating health care markets.

The County will continue to advocate health screening and maintain a two tier health program. The program will allow a wellness incentive for employees who take an active role in their health care and help manage the cost of our benefits over the long term.

Rates Effective September 2019		Wellness Incentive
Active Employee -	\$974.00	\$50.00
Wellness Incentive -	<u>\$ 50.00</u>	
County paid amount-	\$924.00	

Employees that do participate in wellness blood draw will see their premium remain covered by the County. Employees that do not participate will cost share (\$ 25.00 per pay period).

The rates for the High Deductible Health Plan (HDHP) retain a historical 18% reduction to the traditional plan, as recommended by our insurance consultant when we established the HDHP. The goal of the HDHP is to develop enhanced participant consumerism for medical services, and to encourage an increased awareness of the importance in wellness.

The topics discussed in this letter have been presented to the Health Insurance Advisory Committee for discussion and review.

As soon as the Board of County Commissioners approves a new health insurance plan rate structure, we will move forward in the notification process for the plan membership adjustments, effective September 1, 2019.

Proposed rate schedules attached.

Health Insurance Rates effective August 2020
Traditional Plan

Active - County Employee	Monthly FY19	Monthly FY20	Semi-Monthly
Employee paid by County	\$ 918.00	\$ 974.00	see below
Spouse	\$ 510.00	\$ 542.00	\$ 271.00
One Child	\$ 318.00	\$ 338.00	\$ 169.00
Two Children Only	\$ 634.00	\$ 674.00	\$ 337.00
Family maximum	\$ 680.00	\$ 722.00	\$ 361.00

PART-TIME EMPLOYEE (0.50-0.74 FTE)			
Part-time employee	\$ 460.00	\$ 488.00	\$ 244.00
Part-time employee w/ spouse	\$ 970.00	\$ 1,030.00	\$ 515.00
Part-time employee w/ 1 child	\$ 778.00	\$ 826.00	\$ 413.00
Part-time employee w/ 2 children	\$ 1,094.00	\$ 1,162.00	\$ 581.00
Part-time employee w/ family	\$ 1,140.00	\$ 1,210.00	\$ 605.00

PART-TIME EMPLOYEE (0.75-0.99 FTE)			
Part-time employee	\$ 230.00	\$ 244.00	\$ 122.00
Part-time employee w/ spouse	\$ 740.00	\$ 786.00	\$ 393.00
Part-time employee w/ 1 child	\$ 548.00	\$ 582.00	\$ 291.00
Part-time employee w/ 2 children	\$ 864.00	\$ 918.00	\$ 459.00
Part-time employee w/ family	\$ 910.00	\$ 966.00	\$ 483.00

Retiree under 65			Total Premium
Spouse under 65	\$ 608.00	\$ 646.00	\$ 1,620.00
One Child	\$ 378.00	\$ 402.00	\$ 1,376.00
Two Children Only	\$ 756.00	\$ 802.00	\$ 1,776.00
Family maximum	\$ 810.00	\$ 860.00	\$ 1,834.00

Retiree over 65		Not Covered
Spouse under 65 Only	\$ 918.00	\$ 974.00
One child Only	\$ 378.00	\$ 402.00
Two Children Only	\$ 756.00	\$ 802.00
Family maximum -spouse with Part B	\$ 1,296.00	\$ 1,376.00

COBRA (Active + 2%)		
Single	\$ 938.00	\$ 994.00
w/ Spouse	\$ 1,558.00	\$ 1,654.00
w/ One Child	\$ 1,322.00	\$ 1,404.00
w/ Two Children Only	\$ 1,708.00	\$ 1,812.00
w/ Family maximum	\$ 1,764.00	\$ 1,872.00

BSED & Riverstone (Active + 2%*)		
Employee	\$ 918.00	\$ 974.00
Employee and Spouse	\$ 510.00	\$ 542.00
Employee and 1 child	\$ 318.00	\$ 338.00
Employee and 2 children	\$ 634.00	\$ 674.00
Employee and family	\$ 680.00	\$ 722.00

* 2% Admin Fee added to Total Premiums due

Insurance Premium: \$974	Semi-monthly charge to dept.
wellness incentive is 50.00	
Dept. are charged \$924.00	\$ 462.00

Health Insurance Rates effective August 2020
High Deductible Plan

Semi-monthly

Active - County Employee		Monthly FY19	Monthly FY20	
Employee paid by County HSA = \$174	\$	754.00	\$ 800.00	\$ 380.00
Spouse	\$	256.00	\$ 272.00	\$ 136.00
One Child	\$	98.00	\$ 104.00	\$ 52.00
Two Children Only	\$	356.00	\$ 380.00	\$ 190.00
Family maximum	\$	394.00	\$ 420.00	\$ 210.00

PART-TIME EMPLOYEE (0.50-0.74 FTE)				
Part-time employee HSA = \$87	\$	378.00	\$ 402.00	\$ 201.00
Part-time employee w/ spouse	\$	716.00	\$ 758.00	\$ 379.00
Part-time employee w/ 1 child	\$	558.00	\$ 592.00	\$ 296.00
Part-time employee w/ 2 children	\$	816.00	\$ 866.00	\$ 433.00
Part-time employee w/ family	\$	854.00	\$ 906.00	\$ 453.00

PART-TIME EMPLOYEE (0.75-0.99 FTE)				
Part-time employee HSA = \$130	\$	190.00	\$ 202.00	\$ 101.00
Part-time employee w/ spouse	\$	486.00	\$ 516.00	\$ 258.00
Part-time employee w/ 1 child	\$	328.00	\$ 348.00	\$ 174.00
Part-time employee w/ 2 children	\$	586.00	\$ 624.00	\$ 312.00
Part-time employee w/ family	\$	624.00	\$ 662.00	\$ 331.00

Retiree under 65				Total Premium
Spouse under 65	\$	754.00	\$ 800.00	\$ 1,504.00
One Child	\$	500.00	\$ 530.00	\$ 1,304.00
Two Children Only	\$	310.00	\$ 330.00	\$ 1,632.00
Family maximum	\$	620.00	\$ 658.00	\$ 1,680.00
	\$	666.00	\$ 706.00	

Retiree over 65 - Not covered				
Spouse under 65	\$	754.00	\$ 800.00	
One child only	\$	500.00	\$ 530.00	
Two Children Only	\$	310.00	\$ 330.00	
Family maximum -spouse with Part B	\$	620.00	\$ 658.00	
	\$	1,228.00	\$ 1,304.00	

COBRA (Active + 2%)				
Single	\$	770.00	\$ 816.00	
w/ Spouse	\$	1,280.00	\$ 1,358.00	
w/ One Child	\$	1,086.00	\$ 1,154.00	
w/ Two Children Only	\$	1,402.00	\$ 1,488.00	
w/ Family maximum	\$	1,450.00	\$ 1,538.00	

BSED & Riverstone (Active + 2%*)				
Employee	\$	754.00	\$ 800.00	
Employee and Spouse	\$	256.00	\$ 272.00	
Employee and 1 child	\$	98.00	\$ 104.00	
Employee and 2 children	\$	356.00	\$ 380.00	
Employee and family	\$	394.00	\$ 420.00	

* 2% Admin Fee added to Total Premiums due

Insurance premium: \$800.00

Semi-monthly charge to dept.

wellness incentive is 40.00

Dept. are charged \$760.00

\$ 380.00 HSA-\$87.00

****HSA Contribution Amount 9/1/19 = 174.00**